APPENDICES
APPENDIX I

WELFARE OF THE WEAK

Madam Prime Minister, I wish to state that my Government is keen on the programme together with a few more items of great urgency to us and all efforts will be made to achieve the objective.

Regular review and monitoring of the implementation of the various items of the programme are undertaken in the State at the highest level. Senior Secretaries to the Government have been assigned to oversee and review progress. The review and monitoring of the programme undertaken by the Planning Commission on a regular basis is also followed up. I am happy to state that under a large number of points, the performance of my State has been rated high and Andhra Pradesh is placed in the highest performance group along with four other States by the Planning Commission.

The performance for 1982-83 has been considered satisfactory in the case of schemes relating to allotment of surplus land, house-sites, setting up of PHC sub-centres, fair price shops and village and small scale
industries. The targets set up are also likely to be achieved fully for the schemes relating to I.R.D.F., N.R.E.P., S.C./S.F. families, drinking water, village electrification, pumpset energisation, tree planting, family planning, national and the setting up of I.C.D.S. blocks and PHCs. We are making an all out effort in improving our performance in respect of slum clearance and E.W.O. housing, rehabilitation of bonded labour, and biogas plants, so that the targets are fully reached.

PRIORITY PROGRAMMES

My Government, since its assumption of charge in the State, has been seriously engaged in carefully assessing the priorities in regard to anti-poverty programmes and the welfare schemes for the weaker sections. Accordingly, the Government has identified 15 priority programmes which will have profound impact in bettering the conditions of the vulnerable and weaker sections of the society. We are keen to substantially improve the accessibility of poor to the food and other facilities/amenities provided through welfare and other development schemes. While in organised sector we may compensate rising cost of living through wage revisions, we have to afford relief quickly and effectively
To the common man. We propose to make available rice at Rs.7 per Kg. to the weaker sections where family income does not exceed Rs.4000 per annum. For this purpose it is planned to procure an all-time record of 15 lakh tonnes of rice. Secondly, a wide coverage of school children numbering over 60 lakh is proposed under mid-day meal programme during 1987-88 with the twin purpose of providing nutritious food as well as increasing enrolment. The supplementary nutrition programmes under C.D.R. and other schemes will also be continued for expectant and nursing mothers and children of vulnerable age group.

My Government also lays stress on rural water supply and proposes to cover all villages during Sixth Plan period with atleast one source for each village. Drinking water is an urgent problem to be attended to on a priority basis in which funds would not be allowed to be a constraint. Apart from achieving targets progressively in the Plan period, there is need to hasten activity in this direction due to frequent droughts rendering sources of more and more villages precarious. Construction of school buildings has a very high priority in my Government especially in the backward areas of the State. Apart from utilising Rs.9 crores provided in this year's budget for this programme,
it is also proposed to build schools in the weaker section-housing colonies which are coming up very fast.

Under the programme of weaker sections housing, it is proposed to construct permanent housing. Other schemes relating to welfare of B.C., S.T., B.E., and women welfare will be effectively implemented along with the employment generation programme in the rural areas. The implementation of special component programme for B.Cs. and S.Ts. is being closely monitored to ensure implementation as envisaged.

INVESTMENT PRIORITIES

The annual plan outlay for the State has been increased to Rs. 276 crores for the year 1983-84, an increase of Rs. 221 crores compared to earlier year. Special emphasis is being laid for investment on the vulnerable and weaker sections of the society for which a better orientation and direction have been imparted to the sectoral allocations of the Plan outlays. The Plan outlays have been substantially stepped up for the social services sector which accounts for about 39 per cent of the total outlay for 1983-84 compared to about 23% for the earlier year. Of particular importance have been welfare of B.Cs.
8.75% and Backward Classes (5.9%), water supply schemes (5.5%), weaker sections house-sites and housing (8.25%), general education (4.8%) and nutrition (10.4%). The financial outlays have been increased by more than 100% over the previous year for many of these schemes. For village and small scale industries also, the outlay is more than doubled over the previous year. For other schemes relating to D.P.A.P., I.R.D.P., N.R.E.P., minor irrigation, C.A.P. and employment guarantee schemes, the allocations have been stepped up substantially. We have consequently had to defer some important irrigation and power projects hoping that in terms of national requirements and priorities the Government of India would explore methods of financing them without much burden on inflexible State resources.

Because of successive droughts we have carried out a quick review of the ongoing programmes for the supply of improved and quality seed to our farmers especially in the chronically drought affected areas. Following this review we have drawn up a programme for Kharif of 1983 which will ensure that for all our major crops the full coverage by improved seeds and hybrids will be achieved to match the levels indicated by the Government of India. We are making
available the necessary budgetary support which will enable our Seeds Corporation and the Agriculture Department to mount and implement this important programme. We are hopeful that funds for subsidy would be forthcoming from the drought allocations to be released by the Government of India.

The Government has been making systematic efforts to improve the revenue of the State and at the same time enforce austerity and economy in expenditure. It is also proposed to streamline the distribution system and deliver machinery by plugging leakages, so that the benefits intended for the weaker and vulnerable sections reach them in full measure. However, the mobilisation of additional resources at the State level with their inelastic sources of revenue has limited scope. As at present, I do not find special financial support of any significance to the State. In this connection, I would like to emphasise that the Government of India should quickly consider increasing Central assistance in a big way to enable the State Government to step up investments on anti-poverty programmes, so that sizable population may progressively cross over the poverty line on a continuing basis. The Central assistance pattern itself may have to be changed in
order to reduce the debt burden of the States by reducing the loan component of such assistance.

The Central assistance for relief should, however, be given outside the Plan so that the Plan outlays are not eroded. The assistance towards drought relief should be 75% grant and 25% loan and for flood and cyclone relief it should be 100% grant.

I request you, Madam, to get this proposal of altering the pattern of Central assistance and assistance towards relief expenditure examined quickly, so that anti-poverty programmes under the 20-Point Programme can be implemented more effectively.

CENTRAL BUDGET

Madam Prime Minister, I wish to convey to you our concern over the changes contemplated in the recent budget of the Government of India in regard to certain tax concessions for funding rural development by the industries. We find that tax deductible expenditure by industries on approved schemes of rural development is now proposed to be repealed. Instead, contributions are now required to be made to the Prime Minister's Rural Development Fund. You are aware, Madam, that India lives in its villages. Any
meaningful programme of rural development can only emanate from the base and has its linkage from sources which are nearer to it—be they local bodies, institutions or industries. It is hardly necessary for me to emphasise the fact that villages are now being adopted and development programmes implemented by the progressive-looking industries. Such expenditure is treated as tax deductible. Now, by centralising this important source of finance, the commitment and supervision by the skilled manpower of individual industries to specific rural areas will no longer be available. Further due to the centralisation of the fund and its remoteness to the beneficiary obtaining financial assistance is bound to be confronted with innumerable hurdles and administrative procedures. Such a step, I am afraid will result in yet another set back to the development effort in the rural areas. I would therefore urge upon you Madam, out of your concern for the rural areas, to restore the status quo in regard to industries involvement in rural development.

PARTICIPATION

Participation of the people in the formulation and implementation of the development programmes is ensured
through the Panchayati Raj institutions with elected representatives down to the village level. Further, through legislation, representation of weaker sections and women has been ensured at the various levels of the Panchayati Raj institutions.

My Government proposes to organise the youth force in order to develop a cadre of volunteers who are motivated to help the community in the different fields of development activity. They will be the catalytic agents of community spirit, self-help and collective effort. These volunteers who will be specially trained will help in the eradication of social evils like untouchability, child marriages, dowry system and bonded labour. The overall objective is to underline the human resources development and to harness these resources for development of other resources available in each district.

Speech on 21-Point Programme at Chief Ministers' Meeting on April 4, 1965 at Vigyan Bhavan, New Delhi.
APPENDIX 2

WELFARE SCHEMES

We are assembled here, this afternoon, in trying circumstances. Behind us is the sombre spectacle of a crippling drought which has affected as many as 201 of the 305 taluks of the State and more recently the cyclonic storm which ravaged Nellore district and parts of Chittoor, Prakasam, Krishnna and West Godavari. Just ahead of you is the inevitable task of organizing and conducting the general elections to the Lok Sabha. And this is, besides the welfare tasks which lie ahead of you—that of ameliorating the living conditions of many of our brothers and sisters who continue to live below the poverty line, these challenges could discourage even the bravest but not a district administration which had stood the test of time known for its resoluteness in adversity and resilience in complacency. It is this conviction of my Government which makes us look forward with confidence that the many schemes which we had launched besides those which we have recently announced would be effectively implemented for the common

The pivot of district administration is the village
establishment. As part of our policy to revamp village administration, you are well aware that through an ordinance promulgated in early January 1984 the posts of part-time village officers were abolished in the State providing for the appointment of village assistants to be whole-time Government servants. While the transition to the new system of village administration is yet to be completed, I am happy to learn that already 5157 Junior Assistants and Senior Assistants have been drafted for carrying out day-to-day village administration. In the initial stages of the switch over to the new system, I would like you to pay close and constant attention to this subject so that the adhoc village assistants now appointed would be able to discharge their duties effectively and with promptitude, whether it be the traditional revenue work or developmental administration. You would have also already completed your exercise regarding the formation of new revenue mandals in your district which would be the precursor for a reorganised Panchayati Raj set up with the village unit at the grass-roots level, the mandal at the middle tier and the Zilla Parishad at the district level. While on the machinery of district administration, I would also like to refer to the District Planning Board constituted recently.
With appointments of Chairmen to all the 22 rural District Planning Boards they would be functioning as important units of Planning and development at the district level coordinating the work of the various developmental agencies at the district level and effectively overseeing their implementation with full involvement of the people. It is with this end in view that even the planning and implementation of drought relief programmes have been entrusted by Government to the District Planning Boards.

Before I turn to some of key welfare programmes conceived by Government which I would like to pay special attention to, I wish to say a few words on the ensuing Seventh Five-Year Plan.

SEVENTH PLAN:

We have decided to formulate the Seventh Plan with an outlay of Rs.7,500 crores which is more than double that of the Sixth Five-Year Plan. In view of our commitment to the idea of decentralised planning with the participation of the people, we have decided to set apart Rs.3,000 crores for District Sector Schemes. You have already been associated with the formulation of District Plans under the guidance of the District Planning Board. I am happy to
hear that all the 23 districts have formulated the draft plans. These have been discussed at the State level and the State Plan will be formulated taking into account the proposals made by you. I would like to reiterate the importance of development of backward and drought affected areas in this context and the highest importance to be attached to welfare programmes. Our health care needs substantial improvement. Educational facilities, particularly in terms of quality, require improvement. To benefit a large number of small and marginal farmers, we intend taking up a crash programme of well sinking and energisation of wells. Provision of employment to agricultural labour has to be given high priority. All these aspects have to be properly reflected in your district plans. Therefore there is additional responsibility imposed upon you to ensure that the final document of the district plan is prepared carefully, reflecting simultaneously the priority and concern of the State and felt needs and circumstances of the districts.

Before I dwell upon some of the more important schemes of the Government, I would like to say a few words on the 20-Point Economic Programme and the Pragati Patham Programme.
20 POINT ECONOMIC PROGRAMME AND PRAGATI PATHAM

Development makes no sense unless it demonstrably benefits the people, particularly the poorer sections. My Government is committed to a process of development, that is directly linked to the welfare of the people. Therefore, I have been repeatedly emphasising the importance of faithfully implementing the 20 Point Economic and Pragati Patham Programmes. The implementation should be prompt and free from any discrimination, waste and corruption. I have been taking personal interest in reviewing the progress under these programmes and in fact it had written letters to some of you in this regard I find that there is slackness in the fields of Rural Electrification, Medical and Health where some special effort is needed from the Electricity Board and Heads of Departments concerned. There is scope for intensification of NREP and RLESP. I would request you to bestow your personal attention and see that the impressive performance is kept up and even improved upon. You may bring your major difficulties to the notice of Government and ensure that they are sorted out.

Let me repeat that whatever be the compulsions, the
progress of development and welfare programmes should continue to receive highest priority and the progress under the 20-Point Economic Programme as well as Pragati Patham will reflect your commitment.

With your active involvement and support we have been able to implement the scheme of supplying rice to the poorer sections at a subsidised rate of Rs.2 a kilo. This scheme has earned us the gratitude of millions of our poor. It is no exaggeration to say that perhaps no other measure of Government has taken it so close and dear to the people as the green card. This scheme could be sustained only through your continued and sustained efforts by keeping its lifeline viable. This is the procurement/purchase operations of rice by the FCI and the A.P. State Civil Supplies Corporation. This year, Government have decided to procure 15 lakh tonnes of rice for the Central Pool through the Food Corporation of India and purchase a quantity of 7 1/2 lakh tonnes of rice by the A.P. State Civil Supplies Corporation at negotiated prices. The balance required by the State would be purchased in 1984-85. Procurement would be through a combination of compulsory levy and voluntary purchase from millers at negotiated prices. While for every tonne of rice delivered
to the FCI by the miller at procurement prices, one tonne would be permitted for sale anywhere in the country, half a tonne would be delivered to the Civil Supplies Corporation at negotiated prices for which corresponding half a tonne would be permitted for sale within the State by the miller. I would request you to put forth all your efforts to achieve the targets indicated to you for procurement and purchase by the FCI and the A.P. State Civil Supplies Corporation respectively. I would also like you to ensure that as much quantity of common and fine rice as possible is got delivered the State Civil Supplies Corporation. I have noticed in regard to procurement last year, the performance of Delta districts has not been consistent and uniform. I hope that even the relatively backward districts in this regard would ride abreast this year. You would remember that last year it was noticed that there were excess ration cards in circulation. You were requested to launch a major offensive to weed out bogus cards. This has given rise to complaints, thanks to a few over-zealous officials, that some of the genuine cards Cases have come to my notice where all the households living in a house were not given individual ration cards to which they were entitled to. In another case seasonal labour who were occupied only during
a part of the year were denied green cards as their annual income was assessed as being more than Rs. 6000 obviously forgetting the seasonal factor of the occupation. I would like you all to ensure that no genuine consumer entitled to a green card is denied such card. I am informed that circular instructions have also been issued to you in this regard by the Commissioner for Civil Supplies which may be strictly complied with.

Yet another programme to which Government attach considerable importance is the weaker sections housing programme. While last year as many as 93,492 houses were completed against a target of 1,31,770 houses, this year the target has been marginally increased to 1,40,000 houses. In respect of rural permanent houses, I am informed that as against 1,12,658 houses allotted to the districts, proposals have been received for 56,975 houses only leaving a considerable backlog. I would expect you to redouble your efforts and expedite completion of construction of rural permanent houses.

I now come to a package of new welfare measures which we had announced recently. These include

(1) Own Your Own Rickshaw Scheme.
(7) Sanction of pension to landless agricultural labour of 60 years and above.

(3) Subsidised sale of one handloom saree and one handloom dhoti for each family at 50% subsidy to all green card holders.

(4) Construction of modern dhobi ghats in all municipalities and major panchayats.

(5) Supply of bamboo at 50% subsidy to Burroad Societies.

(6) Liberalisation of facilities to quarry workers.

(7) Crash Programme of Minor Irrigation.

(8) Energisation of wells/electrification of left over Haroonwadas and tribal villages, etc.

Regarding the first scheme, pending enactment legislation eliminating cycle rickshaw owners not ready plying cycle rickshaws and conferring ownership on the actual cyclopuller, we have taken up scheme by which cycle rickshaw pullers are enabled to own the cycle-rickshaws they ply. A target of 1000 cycle rickshaws for each district has also been communicated to you. With active assistance from commercial banks and other financial
institutions, I am sure you will be able to execute this useful scheme for helping one of the most exploited classes of our society, namely the cycle rickshaw pullers.

Another scheme of far reaching consequence is the scheme of sanction of pension to agricultural labour over 60 years of age. Comprehensive rules have already been communicated to you by the Social Welfare Department. You would have already taken preparatory action for sanction of pension also.

The scheme intended for the washermen, quarry workers, basket weavers, etc. is only a fulfilment of our promise made for the welfare of professionally organised backward classes. Our policy in this regard has been encouraging. Profession based co-operation societies for backward classes should be promoted which would provide raw materials at reasonable prices to such professional groups and provide them necessary marketing facilities so that they get appropriate price for their products. Hence the scheme for supply of bamboos to Eurood Societies at 50 per cent cost or making available quarries to quarry workers at no payment of seignorage fee, etc. I am sure these schemes will receive your close attention.
Another significant change introduced this year is assigning house sites as well as agricultural land in the name of the female member of the house-hold only. Regarding sale of handloom cloth to the green card holders, from preliminary reports I have, there has been an unprecedented response to the scheme from the poor. I would like to consider whether the net work of retail outlets will have to be enlarged by pressing into service the existing fair price shops also. In this regard I would like to assure you that adequate stocks of handloom cloth would be procured and stocked so that there is no room for any complaint regarding any outlet running out of stocks.

While on the subject of social welfare I would like to make special mention of the Special Component Plan for Scheduled Castes and Tribal Sub Plan for Scheduled Tribes. At the district level I would like you to ensure that the ear-marked amounts for the welfare of these weaker sections are spent fully and effectively for their welfare and no department of Government abdicates its responsibility to fulfil its legitimate commitment for the welfare of these sections.

As I had mentioned in my prefatory remarks, you do have
a delicate and difficult mission before you. But by the temperament and training you have the required skill, ability and competence to handle any such situation. I am sure with support from Government and assistance from your senior colleagues State headquarters, you would do a clean, good and efficient job.

Address at the District Collectors conference at Hyderabad on November 18, 1984.
APPENDIX 3

HELPING HAND TO MINORITIES

Today is a Red Letter Day in the history of the State as the long felt dream of having an exclusive Finance Corporation for the welfare of minorities in the State is now a reality.

As you all know this corporation is formed with the intention of giving a helping hand to minorities so that they can occupy their rightful place on par with the other members of the society. My Government is committed to promote the welfare of the minorities in the State and also to preserve their language and culture as a glorious part of our national ethos.

The Finance Corporation is launched today with an initial allocation of Rs. One Crore. The Corporation will also take the help of other financing institutions and strive to further the economic progress and prospects of minority community in the State. It will be the endeavour of the Corporation to launch a number of economic support schemes that will suit different categories among the minority community right from the poorest of the poor. The
Corporation will make consistent and concerted efforts for providing support and succour to the poor and the weak among the minority communities and usher in a new era of hope and fulfilment in their life. On this auspicious occasion I congratulate the Chairman Mr. Vikaruddin and other members of the Corporation and wish their endeavours all success.

APPENDIX 4

MINORITIES WELFARE

It is indeed a happy occasion for me to associate myself with the first loan distribution function of the Andhra Pradesh State Minorities Finance Corporation. The long felt need of a separate Finance Corporation to meet the needs of the Minorities in the State of Andhra Pradesh has now been fulfilled and this function marks the beginning of a new era for the welfare of the Minorities.

Like many other sections of the society, the Minorities should occupy their rightful place in all the developmental activities of the State. Due to socio-economic reasons, the Minorities of the State have not been able to forge ahead as a group, and it is absolutely imperative to preserve their language and culture which is a part of our glorious tradition. My Government is committed to see that all the measures are taken to promote the welfare of the Minorities in the State.

The Minorities Finance Corporation has been launched with an initial allocation of Rs. 1.00 crores, which will be increased substantially in the years to come. Apart
from this amount, other financial institutions would be supporting the welfare measures that the Corporation is planning to promote. I am happy to see that most of the banks have agreed to finance the activities of the Minorities Corporation. It is indeed a good augury that the lead banks in Hyderabad and in the districts have agreed to participate in our activities. I would like to congratulate the Chairman and Managing Directors and other officers of the bank for their co-operation. The Minorities Corporation will launch a number of economic support programmes that will suit different income groups of the different communities.

I understand that the Corporation has envisaged two major groups of schemes, namely the Anti-poverty Scheme to help financially the poverty stricken groups among the Minorities to set up small ventures and earn their daily bread and the other is Self-employment Schemes for the educated unemployed youths among the Minorities to take up small industries, servicing activity, business ventures, etc., and stand on their own. I am glad that a start is made with preference, to the scheme under Anti-poverty Programme. The concerted effort by the Minorities Corporation will ensure relief and improve the means of
livelihool many thousands who are now suffering for want of financial support. Such a Corporation as this should act as a friend, philosopher, and guide, to the Minorities and particularly to the weakest of the weak among the section.

In a short space of six months, it is indeed gratifying to see the Corporation launching its Self-employment Schemes and Anti-poverty Programmes in right earnest. This is a remarkable achievement and the 500 to 600 beneficiaries gathered here today, is testimony to the encouragement which the Corporation will give to the Minorities in the State. I would like to take this opportunity to congratulate the Chairman and the Board of Directors for this excellent job done in record time. I wish the Corporation all success and wish you all well.

Speech at the inauguration of the first Loan distribution by the A.P. State Minorities Finance Corporation at Hyderabad on August 10, 1985.
APPENDIX 5

PLANNING FOR THE FUTURE

I am very happy to preside over the first meeting of the reconstituted State Development Board. I mainly welcome Sri Ratna Sabhapathy, the Deputy Chairman of the new Board, an experienced person in public affairs to whom welfare and development have been constant companions, the distinguished Members of the Board Sri Bhanu Prasad, Leela Krishna, Satyanarayana Singh and Smt. Sada Lakshmi.

We are meeting at an important juncture on the eve of the meeting of the National Development Council on the 8th and 9th November, 1985. The Council is to consider the draft VII Five Year Plan. We have therefore to firm up our stand on the various developmental issues which are of concern to our State and the Nation.

I would in a preliminary way like to indicate some of the thoughts that have occurred to me in this connection. To start with, I believe that we should recognise the importance of the meeting of the N.D.C. We are now preparing a Plan to take us into the twenty-first century. In that sense, this is a historical meeting. Further, a
number of critical national issues such as Punjab and Assam appear to be nearing a satisfactory solution. Thirdly, stable Governments have been established in the States and a concept of co-operative federalism seems to the pervading atmosphere. At the same time we are actually conscious of the failures of our efforts in solving the problems of poverty, unemployment, illiteracy, etc. Today we are facing challenges and we are presented with opportunities to define the type of society that we want to build and the spirit in which we have to go about this task with mutual respect between the States and the Centre.

The national document shows concern for many of the important issues. Technically it appears to be a very good document are not set out. The sacrifices demanded from the people are not matched by the promise of the rate of growth or employment implicit in the Plan. Imbalances with reference to resources allocation, sectoral strategies, relative roles of Centre and the States persist as in the past, in as much as the plan is only an extension of the past approaches.

In this light, from our side we would like to press on the theme of development with a difference. What we say
relates to our own experience, viz., emphasis on provision of food, clothing and shelter, vocationalisation of education, development of women, investments in infrastructure particularly benefiting the farmers. In this strategy, we depend heavily on productive agriculture and provision of succour to weaker sections.

It is not possible to bring about either development or welfare unless fundamental changes in the institutions are made. Accordingly, the archaic system of Village Officers has been abolished and Mandal Revenue set up has been introduced. It is now proposed to set up developmental institutions also at the Mandal level. A shore Development Authority has also been started to advise the Government on the comprehensive development of shore region including human resources development. Fight against corruption has to be continued and a separate Department for Vigilance with an advisory board has also been established in addition to the institution of Lok Ayukta. It is also proposed to restructure the co-operative system in such a way that a Single Window Service Scheme is envisaged for the benefit of the farmer.

While technological and scientific support for
increasing agricultural production is one part of the story, ensuring reasonable and remunerative rice for his produce to the farmer is yet another part of the story which is equally important. It is in this context that we have plans for establishment of Apex Federations for select commodities like rice, sugar, etc. Such federation will have as its charter ensuring remunerative price to the farmer through marketing support as well as ensuring adequate availability of the commodity at reasonable prices to the consumer. The Federation would also assist its constituent units by way of technical guidance and above all by enlisting farmer participation in the fields of production, processing and distribution.

A combination of measures to ensure provision of irrigation facilities through major and medium sources, fresh starts on projects of crucial importance to the state, efforts to complete long-standing medium projects, urgent exploitation of minor irrigation potential are planned. Simultaneously it is proposed to consolidate the gains made by the State recently in the field of power generation and expand these facilities to backward areas. Emphasis is also laid on the quality of power supply and energisation of pumpsets. Infrastructural facilities for
development of road and transport network. Animal Husbandry, Fisheries and even Forestry can be considered as investments in economic infrastructure and these have been accorded greater attention. Investments in economic infrastructure account for more than half of our Plan outlay.

Finally, social infrastructure is yet another area of importance primarily as an investment in human resources development. Provision of proper environment in terms of building and equipment, emphasis on physical education and making education more purposeful through vocationalisation are some of the features of the educational plan. Technical education including craftsmen training has to be diversified to suit the modern times and exclusive facilities for women are also being expanded. Above all, priority to education implies recognition of merit and this is being attempted in addition to all other concessions available to identified weaker sections. Health facilities, particularly in the rural areas. Simultaneously emphasising Indian system of medicine are being given a pride of place. More than curative aspects, matters relating to water supply and sanitation are provided serious attention.
The Government have formulated Draft Seventh Plan for an outlay of Rs. 7500 crores. The Central Working Groups which considered the State proposals recommended a total outlay of Rs. 6,900 crores. At the meeting held with the Deputy Chairman, Planning Commission, the Planning Commission estimated the resources for the Plan at Rs. 5200 crores. I expressed my inability to agree to the Plan size on the basis strictly of the resources estimates, pending finalisation of some of the State proposals such as increase in Central Sales Tax from 4 to 6 per cent, a decision on the consignment tax as also possibility of enhancing the share of the State in additional Market Borrowings. However, in order to allow the Planning process to continue, we have agreed to the outlay of Rs. 5200 crores as a working arrangement pending decisions by the N.D.C. on the issue raised by me. We, however, firmly envisage that the final size of the State's Seventh Plan would be in accordance with our estimate, i.e. Rs. 7500 crores.

In this approach the States have to be provided with resources. Unfortunately the plan document does not adequately reflect the concern of the States for the welfare programmes initiated by them. The quantum of
Central assistance is inadequate; the access to open
Market Borrowing, though better than before, is still far
from satisfactory; no information is available on Central
investments in the State; the report of the Sarkaria
Commission is yet to be received; the Centrally-sponsored
schemes, both in terms of range and complexity have
increased enormously in total violation of the guidelines
of the N.D.C. The Government of India ask less questions
from an industrial house while giving a loan of Rs.100
crores than the questions they ask and the terms they
impose on State Governments while giving a crore of rupees.
Overall, the inflationary tendencies inherent in the Plan
due to deficit planning assumed by the Government will have
very serious repercussions on the management of finances of
the State Governments. For no fault of the States, they
have to bear the burden of inflation, while at the same
time they are denied facilities of temporary relief through
overdrafts. These are related issues and have to be
answered for successful implementation of the plan for
improving the conditions of living of the people at large
through different State Governments. Each of them
represents the will of the people of the State.

The three expert committees set up by the Planning
Commission have given their reports. The Ranganajan Committee has gone into the aspects of the effects of prices on the Plan. The Committee has dealt with this issue as an accounting one. There is no point or purpose in changing presentational accounting methods. The real problem is inflation. Inflation occurs because the Government of India is indulging in deficit financing very often finance revenue deficits. Perhaps, it's better to go along with the existing problems than tackling the substantive ones. The second Committee (Kartikeyan Committee) has gone into the question of maintenance of assets. Yes, we should maintain our assets created under the Plan properly. We have improved the provisions for maintenance in the last two years by doubling the allocations for irrigation as well as for roads and buildings. However, merely shifting the provision from Non-Plan to Plan will only artificially boost on the Plan size but does not help in resources. Here also the existing procedure could continue. The third Committee (The Ramamurthi Committee) has gone into the question of Centrally-sponsored schemes. Many distressing facts have come to light. We have already suggested that the Centrally sponsored Schemes should be financed hundred per
cent and restricted to inter-State issues and pilot projects. The Ramamurthi Committee has come nearer our views but not all the way. Yet restriction on the total number of schemes and the amount accounted for by the Centrally-sponsored schemes is a must and any delay implicit in the suggestion of the Planning Commission does not seem to serve any purpose.

These are only preliminary thoughts. With the limited time that has been given by the Planning Commission for us to examine these issues it may be difficult for us to make indepth studies. However, I seek your guidance.

(Speech at the first meeting of the reconstituted State Development Board at Hyderabad on October, 26, 1985)
APPENDIX 6

THE ROLE OF REGIONAL PARTIES IN INDIAN POLITICAL LIFE

I stand before you, representing the people of Andhra Pradesh, extending my hand of friendship and moral support at a time when you are about to decide the political future of your great state. I bow my head in deep spirit of humility when I think about the heroic sacrifices made by the young men and women who had laid down their precious lives for safeguarding your democratic rights and privileges, for vindicating your dignity and self-respect and for restructurcing your social and economic system and for ensuring peace, progress and prosperity to the millions inhabiting this lovely land. The world knows that the accord which was signed on the 15th August this year was a resounding victory for All Assam Students Union and All Assam Ganatantra Parishad which spearheaded the historic struggle. The two organisations have now amalgamated to form Assam Gana Parishad or the A.G.P. The Assam Gana Parishad has entered the lists with a clear and comprehensive manifesto that meets the demand and fulfills the aspirations of the people in this part of our country.

The Congress Party which is firmly entrenched in the
Centre and which has ruled the State of Assam for 38 years is making an all out effort to win in the forthcoming elections. In spite of its vast experience and immense resources at its disposal, it sees a formidable rival in the A.G.P. which has struck a firm root in the hearts and affections of the people. True to its electoral strategy it brands the Assam Gana Parishad as a regional party. It spins a beautiful but incredible theory that regionalism poses a threat to the unity and integrity of our nation and that the victory of the regional parties can only weaken the power and authority of the Central Government.

This is, indeed, a vital question, the implications of which shall have to be carefully understood by our people. I submit that the federal framework envisaged by the constitution is built upon the principles of reconciliation, adjustment and balance between the autonomy of the constituent units and the power of the Union Government. The founding fathers of our sacred Constitution never contemplated the power pattern at the Centre being duplicated at the State level. Nor did they insist that the parties which formed the government in the State should necessarily have a national base and complexion. In our country the hegemony of a single party
struck at the roots of democratic functioning of the State leaderships.

It is our sad experience that such State Governments operated under a system of remote controls, without freedom of initiative, and without accountability to the people that had voted them to power. Chief Ministers and Ministers became puppets in the hands of the Centre which has the power of endless manipulations. Andhra Pradesh provides a striking example of this ministerial instability caused by the changing and unpredictable whims and caprices of the rural elite at the Centre. Moreover, it became an accepted practice for the Central Government to destabilise State Governments formed by non-Congress parties. Unfortunately a conspicuous example of this is provided by my own State, Andhra Pradesh. The Central Government brought about a fall of my Government in collusion with the forces of defection in August 1984 and the Governor became a willing instrument in its hands to carry out its nefarious intentions. It was in fact a stab in the back of democracy, a travesty of all norms of constitutional procedure. It was the indignation of the people of Andhra Pradesh and the good of all democratic forces in the country that restored the Status Quo Ante. In
this context, I cannot refrain from stating that the Governors who are nominees of the Central Government, have become its agents for destabilising non-Congress Governments.

Regional parties do not suffer from this basic weakness. They can reasonably be expected to acquire a thorough understanding of the needs and the aspirations of the people and formulate policies, without fear of outside influence and interference. They are obliged to maintain a continuous rapport with the people who have voted them to power and their tenure will depend upon the measure of confidence reposed in them by the electorate.

The fear that is often expressed about the loyalty of these parties to the national ideals and their commitments to the principles of national unity and integrity is unfounded. For instance, we, of the Telugu Desam Party consider ourselves as Indians first and as Telugus later. We shall never place our regional interests above the national interest. We are prepared to make any kind of sacrifice and to meet any type of challenge, for the good of our country as a whole. So will be the case with the Assam Gana Parishad. The trend is unmistakably towards the
formation of regional parties; and I am sure the movement will gather momentum with the passage of time.

I wish to remind my listeners that this new trend calls for a restructuring of relationships between the Centre and the States. The autonomy of the States shall have to acquire fuller significance in every sense of the term, financial, economic, administrative or otherwise. Abject dependence of one authority on another; the need for a State Government to go to the Centre with a begging bowl; the necessity to bow to its dictates is derogatory to the dignity of the constituent units and repugnant to the spirit of Constitution. Let us remind ourselves that our Constitution enshrines the principle of single citizenship and that it is the people who sustain both sets of Governments by their taxes and contributions. Our Constitution does not envisage givers and recipients of charity. It is only for the purpose of good government that there is a distinction between the Central and State authority with well-defined ambit of powers, clearly articulated separation of functions, and division of resources.

It is high time we got over this phobia of regional
political parties as being opposed to national cohesion and solidarity and as being inimical to national interest.

I wish you all the best and God speed in all your efforts and endeavours.

Speeches during Chief Minister’s tour in Assam, December 1985.

JAI TELUGUNADU

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